

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF W & W SERVICE)	
COMPANY FOR RATE ADJUSTMENT PURSUANT)	CASE NO. 10491
TO THE ALTERNATIVE RATE FILING PROCEDURE)	
FOR SMALL UTILITIES)	

O R D E R

On December 15, 1988, W & W Service Company ("W & W") filed its application for Commission approval of a proposed increase in its rates for sewer service. The proposed rates would generate additional annual revenues of approximately \$8,878, an increase of 43 percent above normalized test year revenues.

In February, 1989, Commission Staff conducted a field review of W & W's test period financial records. Based upon this review, Commission Staff issued its report on March 22, 1989, recommending W & W be granted additional annual revenues of \$2,951, an increase of 14 percent over normalized test year revenues.

By letter dated March 22, 1989, W & W was advised to file comments on the Staff Report or request a hearing no later than April 4, 1989 or the case would stand submitted to the Commission for decision. By letter dated April 25, 1989 an extension of time until May 10, 1989 was granted to W & W within which to file comments to the Staff report or to request a hearing. On May 10, 1989, W & W filed a letter which is presumed to be its response.

The Commission, after considering the evidence of record in this case and being otherwise sufficiently advised, is of the opinion and finds that:

1. The letter filed by W & W on May 10, 1989 should be accepted as the response of the utility to Staff's report. The Commission further finds that the last paragraph of the letter contains statements which are immaterial, scandalous and inappropriate for inclusion in the record of this case. On our own motion, the Commission finds that the last paragraph of W & W's May 10, 1989 letter should be stricken from the record.

2. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

3. The rates in Appendix A, attached and incorporated hereto, are the fair just and reasonable rates for W & W and will produce gross annual revenues of \$23,756. These rates will allow W & W sufficient revenues to meet its operating expenses, service its debt, and provide for future equity growth.

IT IS THEREFORE ORDERED that:

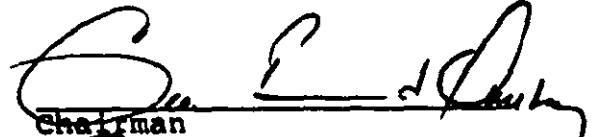
1. The last literal paragraph of the May 10, 1989 letter filed by W & W shall be stricken from the record in this case.

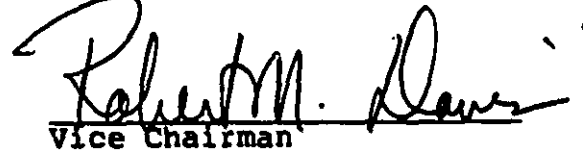
2. The rates proposed by W & W and contained in Appendix A, are approved for service rendered by W & W on and after the date of this Order.

3. Within 30 days of the date of this Order, W & W shall file with the Commission its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 12th day of June, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 10491 DATED June 12, 1989.

The following rates and charges are prescribed for the customers in the area served by W & W Service Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Rate For Sewer Service

\$14.45 (flat monthly rate)